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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE
NEWPORT GALA DINNER RECEPTION

THE SLOCUM RESIDENCE

9:15 P.M. EDT

Buddy Cianci, Jim Taft, Jim Fields, Jim DiPrete, Bill Middendorf and, of course, our wonderful host and hostess, John and Eileen Slocum, and all that worked:

Let me say without any hesitation or reservation one, it has been a long day, but the culmination of a meeting like this makes it just like it was beginning all over again. Thank you very much.

As either Jim or Buddy or Jim Taft said, it has been my privilege to be in Rhode Island on a number of occasions over a period of years. I was happy and proud to come here when your fortunes were low to help in a municipal election, in a State election, or in an occasion such as this.

I detected from time to time that all of you in Rhode Island were a little down in the dumps, and you felt that the odds were much too great for any progress. But, I have a distinct feeling tonight that you are on the way up and that you are going to make Rhode Island a good Republican State in 1976.

You have good candidates. You have excellent examples of people that can run either Providence or Cranston or, I am sure, other communities in the State of Rhode Island.

You have the enthusiasm. You have the unity. You have the feeling that you are going to beat the opposition. You have 14 monthsto prove it -- with money, (Laughter) with candidates, with unity. I will be very disappointed if you don't make it in November of 1976.

In the months ahead, as I have tried to do in the monthsbefore, it is my feeling that we have to make a tremendous effort to go to every State to talk to the people who have fought long hard battles, people who have been disappointed for one reason or another, that we didn't do everything or we didn't succeed.

It seems to me that we have the most unique opportunity in the months ahead to decide that America is going to continue to rise to make the progress in the future that we have been blessed with in the past.

It is my judgment that the Republican Party is the vehicle that can achieve that. And if we are going to do it I think we ought to take a look and see what our commitments are, at least Maine, and I believe most, as I travel around the country, would agree in these four or five basic commitments that we have, it seems to fall within the framework of what is good for our country.

Fiscal responsibility in the Federal Government, the reinvigoration of a free enterprise system in this country, a strong national defense program that makes America second to none, local control over local concerns under the leader- ship of people like Buddy and Jim and others in your State of Rhode Island.

And then, lastly but far from least, personal freedom for the individual.

We are about to kick off our Bicentennial in America. The other day I was looking at the progress that we have made as a Nation over the last 200 years and if I were to analyze it, I would say within the first hundred years — and Rhode Island was a tremendous contributor to this effort — in the United States in that first century, we developed a kind of government that gave us strength, consistency, a solid base from which we could operate. In our second century in America, what did we do? We went through what I think most historians would call an industrial revolution.

We built the mills and the plants and we developed means of transportation, communication and the like. We moved from the one yardline a long, long ways down the field to become the most effective and constructive and successful Nation in the history of mankind in an industrial competition.

So we have a government and we have the industrial capability. What do we want in our third century, which begins in just a few months. It seems to me that this third century relates to the last point I made in our commitments, personal freedom for the individual.

We have mass education, we have mass industry, we have mass government, we have mass communication. I think the American people, whether they are in Rhode Island or Michigan or California or Florida, Alaska, Hawaii, I don't care where they come from, they want their individuality preserved and expanded. They don't want to be subjected to mass of anything. They want to believe in their family and themselves, and that should be our objective in the third century of America's history.

I indicated that in the first century of our Nation's history that we developed a kind of Government that gave us strength and stability and opportunity to carry us through one crisis after another, and we have.

Now it is not written in the Constitution, but fortunately for all of us we developed in this country a two-party system, and how blessed we have been. We don't want a one-party system like they have in some countries throughout the globe. We find that that, of course, would be anathema to everything we have inherited and everything we want to pass on to others, and we don't want the kind of a Government where there is a multiplicity of political parties, either.

We have seen in the pages of history those countries that have five, ten, 20, whatever the number is, of political parties, and they are unable, under those circumstances, to meet the challenge, to govern, to run a country.

We have been blessed in this Nation with a twoparty system in most States of the Union. (Laughter) If I could go back a quarter of a century, when I came to Washington in January of 1949 and took the oath of office as a young, excited Congressman, the Republicans controlled New England.

There wasn't a Democrat, as I recall, in Maine, New Hampshire, Vermont -- there were a couple in Massachusetts (Laughter) -- but basically New England was a Republican domain, so to speak, and then we had ten or 11 States down in the South and they were totally, completely dominated by the Democrats.

It wasn't a very healthy situation, I didn't think. I will tell you why. I think political competition is good. It is good for the candidates, but more importantly it is good for the country.

Our whole system, whether it is in commerce or in industry or whatever is predicated on the idea that competition is a better price, a better product to the consumer.

As I travel around 25 years after that day that I was sworn in, I find that the political environment in the South is a lot healthier. Since we have a pretty fair share of Congressmen and a few Senators, the domination, the monopoly of a political party in the South has been broken.

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The net result is that the people in those ten or 11 States are getting better Government. If I might respectfully suggest, I think it would be good to have that same kind of competition right here in Rhode Island.

Obviously, I have thrown away the text that my very dedicated and very competent speechwriters have prepared for me, (Laughter) but as I look over this audience, I would like to talk straight from the shoulder of what I believe, what I feel is good for all of you, for Rhode Island and, more importantly, for the country.

We have a few problems in America and, to be frank and honest and candid, instead of trying to hide them and gloss them over, I think we ought to be very frank.

We have trouble in our economy. A year ago we were faced with 12 to 14 percent inflation, the worst in this country for a good many years. We have to lick that problem.

In the last 12 months we have cut it in half, roughly speaking. That is not good enough, but we aren't going to lick it if we let the Congress spend and spend and spend, as they are prone to do.

Let me tell you, I am on the way to a record of vetoes, (Laughter) but I think they have been good for America and they haven't been negative. Let me tell you why they are positive.

In that great Constitution that we have in this country, it says the President of the United States has the right of veto. That is a Constitutionally given authority to the President of the United States.

The Congress has the opportunity and the responsibility to pass legislation, but the Constitution also gives to a President the responsibility to veto it if he thinks, in his judgment -- representing all of the people, not a parochial interest--a provincial interest, and I have done it quite a few times.

But you know what the net result is, and this is the proof of the pudding. Let me just take two examples. To prove that the utilization of a veto is a constructive, not a negative weapon -- and I emphasize it is a Constitutionally given authority -- early this year I submitted a request, as Buddy and Jim know, for \$1 billion 900 million for \$450 million for a Summer Youth Program to keep the young people principally in our disadvantaged areas off the street and to keep them occupied, plus another \$1.5 billion to try and give public service employment during the critical period that we are facing with unemployment.

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The bill went to the House, and they added \$2 billion, if I remember, and then it went to the Senate and they added another \$1 billion, so it came down to me with a roughly \$5 billion figure, or \$3 billion more than I recommeded.

They had added, in a Christmas true fashion, all kinds of extraneous, unnecessary programs. I vetoed it. We didn't think we could win, but the American people were wiser than a good many of the Members of the House and the Senate.

And the net result -- we sustained the veto. Then the Congress responded and came back with virtually the recommendation that I had made, saving roughly \$3 billion.

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What I am trying to say is that a veto is constructive, not negative. Well, we could go on with the housing bill and several others.

As a matter of fact, some of the experts in the statistical field have indicated that over the last year through vetoes that have been wisely and judiciously used, we have been able to save the American people roughly \$6 billion. I think that is meaningful and we are going to keep on doing it until they get the word.

Now, let's be frank, we have the problem also of unemployment. There are about 535 members of the House and Senate, everyone of them has an idea how you can solve the problem of unemployment. They want quick fixes, they want some, you know, automatic panacea. We have gone through this before. I don't like the fact that our unemployment is at this height that it is. I have great sympathy for those who are unfortunately out of work because of circumstances beyond their control. But it doesn't do them any good to give them something that in the long run is not good for the country or even for themselves. So what we are doing, or trying to do, is to constructively rehabilitate an economy that was in bad shape about a year ago. And we are not going to do those things that have an apparent -- and I say apparent short dividend, if in the long run it is not healthy for the United States of America.

We have about 85 million Americans currently gainfully employed. We have too many unemployed but do you realize this; the last five months_despite the high unemployment percentage--we have added to the payrolls in this country, primarily in the private sector, about 1,200,000. This is encouraging, and we are going to do better and better.

We must provide jobs in America, not necessarily in the government sector, but more importantly, in the private sector.

May I say a word about energy. I was at a television show after I got down here today -- I have forgotten the channel or the station. (Laughter) But a very attractive young lady and two very able interrogators from the same station (Laughter) asked me about energy. And the inference was that somehow there had been some discrimination against New England. Well, let me just talk, if I might, for a minute, straight from the shoulder. This country has an energy problem and those of you in New England are more seriously affected perhaps than any other part of the country, and I am not going to get into why that might have happened or what might of caused it. But America today is getting, on a day by day by day by day basis, more vulnerable to decision-making by countries in the Middle East.

Our domestic production of oil is going down and we are buying more oil overseas daily from those countries that could turn off the spigot tomorrow if they decided to. And the net result is that we have to find an energy answer in America and if we do we will solve it for New England at the same time.

We can do it by stimulating domestic production of oil here, by conserving the utilization of energy in America, by developing new exotic energy sources, solar, geothermal, et cetera.

In January of this year, we tried to put together, and we were successful in putting together a comprehensive energy program that would have answered the short range as well as the long range problems that we face in America, a program that would have made us invulnerable to foreign decision-making. I submitted it to the Congress and do you realize that as of now, not one energy bill has come down to the White House for approval. Not one, not one piece of a comprehensive program.

America cannot tolerate this kind of lack of action. We went over backwards trying to work with the Congress to get a program, to get a policy enacted into law so America could move ahead to become invulnerable to decision-making by other nations, the Middle East or otherwise. We understand the problem you have in New England and we made exceptions to recognize the difficulties you face in this part of the country and will continue to do so. But I just plead with you, beg with you to get your members of the House and the Senate to join in putting together, with compromise and conciliation if necessary, a program that is good for America.

We must have it for today, tomorrow and ten years from now.

We have some tough decisions in foreign policy. Secretary Kissinger has been spending the last week or so in the Middle East. We are narrowing the differences in cooperation, of course, between the principal negotiators, Israel and Egypt. And it is encouraging that the last decisions by them, of course, are of maximum importance.

Now, let me say this as deeply as I can, it is improtant for the world as a whole that there be continued progress in the Middle East toward peace, because if it fails, if we are not successful, the potential controversy in that part of the world could be explosive for the world as a whole. So we are fortunate to have Henry Kissinger over there working with those two countries now, and, hopefully, on a broader basis in the years ahead.

We have had some disappointment in foreign policy, and we won't get into those because I think we have to look forward. We have to realize that it is important for America to strengthen our alliance in Europe.

It is important that we continue to work with Japan in the Pacific and to strengthen our world relations in Latin America and Africa, that we work with those less developed countries, as well as the industrial countries of the world.

We must, as I see it, at least try to ease tensions and to achieve relaxations of competition between the Soviet Union and the United States. In the months ahead, we are going to be negotiating with Mr. Brezhnev on SALT.

About ten days ago, I made a speech in Minneapolis, Minnesota to the American Legion, and I said detente means a relaxation, an ability to try and talk with those with whom we don't agree in order to bring peace and to maintain it in the world.

We are seeking to put a cap on the arms race, the nuclear arms race. I hope we will be successful. It means that we will make some compromises and the Soviet Union will make some compromises.

It will be a two-way street. It will be an agreement, if we achieve it, that is good us, for them, and for the world at large.

Let me say very categorically, if we don't achieve a cap on the nuclear arms race, if the United States is to keep pace, if the United States is going to be second to none in this area, it will be my obligation as President of the United States to go to the Congress and ask for substantial increases in military appropriations to keep our nuclear capability second to none.

That extra \$2 or \$3 billion a year, without a SALT II agreement, is needed and necessary. I would prefer a cap. I would prefer that we could agree that we shouldn't build these extra missiles and add to our military capability, and that is why we are going to negotiate because it is in the best interest not only of ourselves and the Soviet Union, but mankind as a whole, to stop this fruitless arms race.

Let me say that despite the problems in the economy and energy, despite the difficulties we face as we work with our allies and negotiate with our adversaries, I am an optimist about America. I think the American people believe that we have a great future, just as we have had a great past.

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I know there are some in this country that think that the solution to our problems at home are more programs, more spending, et cetera, and every time I think of that solution, I can't help but repeat something that I have used as sort of a guideline or a criteria, and I apologize to those I have said it to before or those who have listened to it before:

We must be certain that we understand that a Government big enough to give us everything we want is a Government big enough to take from us everything we have.

It is my judgment, in the third century of America's greatness -- and I go back to what I said at the outset -- the American people still want their individual liberty and they are going to fight for it, they are going to demand it, they are not going to be overwhelmed by big Government, big labor, big business, big education, massive communication.

They want their individual freedom, and to the extent that I can, with your help -- this is what is important -- no make can do it alone. Every one of you in this room are a teammate. Every one of you, by being here tonight, have indicated your willingness to work with us.

I thank you, and we will be out there working for you.

Thank you.

END (AT 9:47 P.M. EDT)